

BRECKLAND COUNCIL

CABINET: 12 MAY 2009

REPORT OF THE EXECUTIVE MEMBER FOR GOVERNANCE

(Author: Assistant Director of Governance)

CAPITAL PROGRAMME 2008/09

Summary: This report sets out the out-turn position of Breckland's capital programme for 2008/09. It shows the out-turn on capital schemes in the 2008/09 Capital Programme along with the resources used to fund the programme.

Recommendations:

It is recommended to Council that:-

The Capital Programme for 2009/10 and associated financing be amended to reflect the items under paragraphs 5.1 and 5.2

Funding as detailed in Appendix B, be approved to finance the Programme for 2008/09

Note: In preparing this report, due regard has been had to equality of opportunity, human rights, prevention of crime and disorder, environmental and risk management considerations as appropriate. Relevant officers have been consulted in relation to any legal, financial or human resources implications and comments received are reflected in the report.

1. INTRODUCTION

- 1.1 Capital Investment plays a key role in helping the Council to achieve its long term objectives. This report shows the out-turn on capital schemes in the 2008/09 Capital Programme along with the resources used to fund the programme.

2. A SUMMARY OF THE AGREED PROGRAMME

- 2.1 This table shows the final estimate for the Capital Programme for 2008/09 compared against the original estimate of £6,664,915.
- 2.2 Amendments to the programme have previously been reported to Cabinet and approved by Full Council culminating in a revised estimate of £7,598,180.

Portfolio Holder	Original Budget		Final Budget	
	Value of Schemes £000's	No. of Schemes	Value of Schemes £000's	No. of Schemes
Planning & The Environment	210	3	116	6
Business Transformation	20	1	592	4
Governance	257	4	7	1
Housing and Economic Communities	5,865	13	5,709	22
People First	313	2	1,144	3
	-	-	30	1
TOTAL	6,665	23	7,598	37

- 2.3 The following table shows the out-turn position of £4,286,919, an under-spend of £3,311,261 against the final estimate, which is dealt with further in the report.

Portfolio Holder	Value of Schemes £000's	Out-turn £000's	Variance £000's
Planning & The Environment	148	48	(100)
Business Transformation	560	15	(545)
Governance	7	1	(6)
Housing and Economic Communities	5,709	4,223	(1,486)
People First	1,144	-	(1,144)
	30	-	(30)
TOTAL	7,598	4,287	(3,311)

3. A SUMMARY OF FUNDING

The following table details the original and final funding figures for the Capital Programme.

Funding Type	Original Budget £000's	Final Budget £000's	Final Out-turn £000's	Comment
Capital Receipts	6,235	6,786	3,946	Slippage of schemes to 2009/10
Direct Revenue Funding	-	-	-	
Section 106 Funding	-	-	-	
Specified Capital Grants	430	712	341	Slippage of Thetford Enterprise Park scheme into 2009/10
External Contributions	-	-	-	
Specific Reserves	-	100	-	
TOTAL	6,665	7,598	4,287	

4. STATUS UPDATE BY PORTFOLIO - COMMENTARY ON THE OUT-TURN BY PROJECT LEAD OFFICERS (Full Scheme Details shown in Appendix A)

4.1 **Planning:**

Planning and Building Control – the under spend of £27,500 is requested to be rolled over into 2009/10 for work to be completed on the GEODSYS and TLC project.

Noise Monitoring Equipment – this project was completed within budget; and

Air Quality Monitoring Equipment – this project was completed within budget.

4.2 **Business Transformation:**

Un-approved ICT Strategy Projects – this does not relate to any specific schemes but only represents a budget where specific schemes have been identified to be completed during the year and which needs approval to be undertaken from the Business Improvement Board;

ICT Refresh Programme – this programme was only approved in February 2009 and the under-spend of £167K is requested to be carried forward into 2009/10;

ARP Web Server – this project has been delayed until 2009/10. It is requested that the budget of £20K is carried forward into 2009/10;

ARP Batch Scanners – this project has been delayed until 2009/10 where budget provision exists;

4.3 **Governance:**

Integra Fixed Asset Module – this project has been completed within budget;

4.4 **Housing and Economic:**

Thetford Enterprise Park – this project has been delayed as a result of awaiting confirmation of funding from the East of England Development Agency (EEDA) before this project can commence. The budget of £333K is requested to be carried forward into 2009/10;

Purchase of Anchor Hotel, Thetford – the purchase of the property has been completed for £45K under budget. This under-spend will need to be retained to cover site works such as an Asbestos Type 3 survey;

Victory Park, Attleborough – due to the high price of the original tender, the project had been put on hold. The project has now been brought into line with the budget by omitting the supply of gas from the contract price and will be completed in 2009/10;

Transfers of Public Conveniences to Town Councils – the public conveniences have been transferred to the Town Councils within budget;

Porch and Reorganisation at Elizabeth House – this project has been delayed and will be shortly tendering for this work, together with other modifications necessary to enable the reorganisation to be completed. This has been on hold pending the results of Local Government Reorganisation;

Wind Turbine at Elizabeth House – a report will shortly be going to the Corporate Management Team and the Executive Board for £40,000 for professional fees and £200,000 for installation and testing;

Development of 31 High Street, Dereham – the refurbishment of the house and shop has been completed;

Commercial Development of Rutherford Way, Thetford – this project has been delayed, and is expected to be completed in 2009/10 and within budget;

Improvements at John Room House, Thetford – building work is due to start in the early part of 2009/10, and it is requested that the under-spend of £290K on this project in 2008/09 is carried forward into 2009/10 to finance this work;

Commercial Property Rolling Maintenance Fund – this annual expenditure has been overspent due to a delay in work programmed in previous years as a result of staff shortages;

Development of Travellers' Site at Thetford – this project has been completed within budget (£8K under the budget), the balance to be transferred into a reserve for repair work to be undertaken at the end of the term of the lease in 2015/16. The project was funded from a government grant;

Thetford Market Place – this project has been delayed until 2009/10 due to the changes in the specification of the scheme;

Thetford Pavilion – the contract price has been revised to below the de-minimus level for capital and the cost will now be met from revenue;

Barnham Broom – expenditure on this project was delayed as the major scheme was deferred until 2010/11 in the capital programme approved by Council in January 2009.

Disabled Facility Grants – ongoing mandatory government grant programme for aids and adaptations for vulnerable and elderly. The grant is match funded at 40% by Breckland Council. The levels of grants paid out are demand driven, which has resulted in expenditure of £457K;

Enhancement Grants – targeted schemes for use of the Decent Homes Grant funding. Grants of £2,500 are available to bring properties up to standard;

Enhancement Loans – targeted scheme for the use of Decent Homes Grant funding to provide loans of up to £20,000 to bring their properties up to a decent standard;

Domicile Grants – targeted scheme for the use of Decent Homes Grant funding to bring back empty properties into use. Grants of up to £2,500 are available;

Decent Homes – grant funding received from the Communities and Local Government to bring private sector housing back into use via targeted action. Funding is a finite resource which is rolled over to support the delivery of the Council's private sector housing objectives. Funding to be used to part match fund the Disabled Facility Grant uplift and the equity release scheme: and

Asset Management System – this project is in the throes of completion, with £10,500 being carried forward into 2009/10.

4.5 **Communities:**

Transfer of Play Areas to Town Councils – this project has been delayed as a result of the outcomes from Local Government Reorganisation. However, the transfers are now expected to be made during the early part of 2009/10; and

Closed Circuit Television (CCTV) – this project is now due to be completed during 2009/10. The contract for the renewal of the CCTV equipment has yet to be signed, whilst the procurement of the equipment is in its final stages.

4.6 **People First:**

Mouchel, HR and Payroll System – this project has been delayed until 2009/10 as a result of the delayed sign off process. The launch date is now expected in May 2009 and the budget of £30K is requested to be carried forward into 2009/10.

5. REQUESTS FOR VARIATIONS TO THE 2008/09 PROGRAMME

- 5.1 In addition to items noted in section 4, there are requests for other proposed changes to the programme including work in progress:

	£	£
Approved capital programme for 2009/10:		
Original Capital Programme		5,083,566
Requests for schemes to be added to the 2009/10 Programme:		
CCTV	600,000	
Transfer of Play Areas to Town Councils	382,000	
Un-approved ICT Strategy Projects	346,000	
Thetford Enterprise Park	333,480	
Conversion of John Room House, Thetford	289,730	
IT Refresh Programme	166,950	
Match Funded Projects	162,000	
Decent Homes Grants	152,790	
Victory Park, Attleborough	118,515	
Enhancement Loans	107,085	
Disabled Facility Grants	105,170	
Elizabeth House – Porch & Reorganisation	50,000	
Enhancement Grants	38,640	
Commercial Development at Rutherford Way, Thetford	30,000	
Mouchel and HR Payroll System	30,000	
Planning and Building Control – TLC & GEODSYS	27,500	
Anchor Hotel, Thetford	25,820	
Elizabeth House – Wind Turbine	20,000	
ARP – Web Server	20,000	
Thetford Market Place	20,000	
Domicile Loans	17,490	
Asset Management System	10,500	

Revised Capital Programme for 2009/10		8,137,236

- 5.2 It is recommended the increase in value of the 2009/10 capital programme being £3,053,670 is financed from surplus resources from the 2008/09 capital programme:

	£
Capital Receipts	2,828,570
Specified Capital Grants	225,100
Capital Reserve	-
Total additional funding	3,053,670

6. CAPITAL RECEIPTS OUT-TURN

- 6.1 The original estimate for capital receipts was £350,000 to take account of £100,000 for miscellaneous land sales and £250,000 from Norfolk Constabulary for the purchase of a plot of land at the EcoTech Business Park. Actual capital receipts in 2008/09 amounted to £357,358.

6.2 The table below shows movements on capital receipts during 2008/09:

MOVEMENT ON CAPITAL RECEIPTS	Opening Balance	Receipts	Used to Finance Capital Schemes	Carried Forward
	£000's	£000's	£000's	£000's
Capital Receipts	24,827	357	3,979	21,205
TOTAL	24,827	357	3,979	21,205

7. ALTERNATIVE OPTIONS

7.1 Members may wish to suggest alternative arrangements for amendments and associated financing to the 2008/09 capital programme.

8. REASONS FOR RECOMMENDATIONS

8.1 The recommendation will ensure the capital programme for 2008/09 is amended along with the necessary funding.

9. RISK and FINANCIAL IMPLICATIONS

Risk

9.1.1 I have completed the Risk Management questionnaire and can confirm that risk has been given careful consideration, and that there are no significant risks identified associated with the information in this report.

Financial

9.2.1 The report is of a financial nature and the financial implications are included within the report.

10. LEGAL IMPLICATIONS

10.1 None

11. OTHER IMPLICATIONS

a) Equalities: None

b) Section 17, Crime & Disorder Act 1998: None

c) Section 40, Natural Environment & Rural Communities Act 2006: None

d) Human Resources: None

e) Human Rights: None

f) Other: None

12. ALIGNMENT TO COUNCIL PRIORITIES

12.1 The Capital Programme is aligned to the Council Priorities

13. WARDS/ COMMUNITIES AFFECTED

13.1 All

Background Papers

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Key Decision

This is a key decision

Appendices attached to this report

Appendix A - Capital Programme Out-turn 2008/09

Appendix B - Capital Financing 2008/09